

WEIL GOTSHAL & MANGES LLP  
767 Fifth Avenue  
New York, New York 10153  
Telephone: (212) 310-8000  
Facsimile: (212) 310-8007  
Richard P. Krasnow  
Shai Y. Waisman

Attorneys for Debtors  
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:	<b>Chapter 11 Case No.</b>
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<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	:	<b>08-13555 (JMP)</b>
	:	
<b>Debtors.</b>	:	<b>(Jointly Administered)</b>
	:	
	:	
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**STIPULATION, AGREEMENT, AND ORDER BETWEEN  
LEHMAN BROTHERS HOLDINGS INC. AND NEW YORK INSTITUTE  
OF FINANCE PROVIDING FOR RELIEF FROM THE AUTOMATIC STAY**

TO THE HONORABLE JAMES M. PECK  
UNITED STATES BANKRUPTCY JUDGE:

This Stipulation, Agreement and Order (the “Stipulation, Agreement and Order”) is entered into by and between Lehman Brothers Holdings Inc. (“LBHI”), together with its affiliated debtors in the above referenced chapter 11 cases, as debtors and debtors in possession (the “Debtors”), and the New York Institute of Finance (“NYIF”).

**RECITALS**

A. On September 15, 2008 (the “Commencement Date”) and periodically thereafter LBHI and certain of its subsidiaries commenced with this Court

voluntary cases under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).

B. On June 15, 2009, LBHI filed its Amended Schedules of Assets and Liabilities (the “Schedules”). [Docket No. 3918].

C. On, July 2, 2009, the Court entered an order establishing the deadlines for parties in interest to file claims in the LBHI chapter 11 case (the “Bar Date Order”). Neither NYIF nor its parent Pearson Education, Inc. (“Pearson”), filed a claim by the relevant deadline established by the Bar Date Order.

D. On September 14, 2009, NYIF filed a Motion For Relief From the Automatic Stay In Order to Effect Setoff Pursuant To 11 U.S.C. § 553 [Docket No. 5134] (the “Motion”).

E. The Motion asserts that the Debtors incurred certain registration fees in the amount of \$1,048.00 on July 7, 2008 and \$1,975.00 on August 12, 2008 for training courses offered by NYIF (together the “Unpaid Fees”). The Motion further asserts that the Unpaid Fees remained outstanding as of the Commencement Date and have not subsequently been paid.

F. The Motion also asserts that on April 28, 2006, Pearson, on behalf of NYIF, forwarded a check in the amount of \$1,500 (the “NYIF Debt”) to the Debtors in order to refund an erroneous payment previously made by the Debtors to NYIF (the “Refund Check”). As of August 27, 2009, the Debtors had not presented the Refund Check for payment.

G. The Motion seeks entry of an order lifting the automatic stay extant in the Debtors’ chapter 11 cases pursuant to section 362 of the Bankruptcy Code

for the limited purpose of allowing NYIF to effect setoff pursuant to section 553 of the Bankruptcy Code with respect to the NYIF Debt.

H. LBHI included a liability to NYIF for \$1,975.00 on its Schedules. [Schedule No. 555247730] as an undisputed liability. LBHI has reviewed its books and records and has verified that it is indebted to NYIF in said amount.

I. In light of the foregoing, LBHI and NYIF (each a “Party” and together, the “Parties”) have agreed, subject to approval of this Court, to resolve the Motion on the terms set forth below.

**IT IS HEREBY STIPULATED, AGREED, AND ORDERED** by and between LBHI and NYIF, through their undersigned attorneys, that:

1. This Stipulation, Agreement, and Order shall have no force or effect unless and until approved by the Court (the “Effective Date”).
2. Upon the Effective Date, the automatic stay shall be deemed modified to allow NYIF to set off the NYIF Debt against the Unpaid Fees.
3. Except as provided in paragraph 2, the provisions of section 362(a) of the Bankruptcy Code, including, without limitation, those provisions prohibiting any act to collect, assess, or recover a claim that arose prior to the Commencement Date from LBHI’s estate and/or assets or property of LBHI (as defined in section 541 of the Bankruptcy Code) shall remain in full force and effect.
4. NYIF shall be deemed to have an allowed general unsecured claim against LBHI in the amount of \$475.00 (the “Claim”). The Claim shall supersede any amounts that LBHI scheduled as owing to NYIF on its Schedules.

5. Except as provided in paragraphs 2 and 4 above, nothing in this Stipulation, Agreement, and Order shall constitute an determination of the validity of any claims by NYIF against the Debtors or otherwise prejudice, or be deemed to prejudice, any other rights of LBHI and NYIF and any rights, claims, defenses, obligations and challenges either party may have with respect thereto.

6. Upon the Effective Date, the Motion shall be deemed resolved.

7. This Stipulation, Agreement, and Order may only be amended or otherwise modified by a signed writing executed by the Parties.

8. Each person who executes this Stipulation, Agreement, and Order by or on behalf of a Party represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation, Agreement, and Order on behalf of such Party.

9. This Stipulation, Agreement, and Order may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument, and it shall constitute sufficient proof of this Stipulation, Agreement, and Order to present any copy, copies, electronic copies, or facsimiles signed by the Parties.

10. This Court shall retain jurisdiction to resolve any disputes or controversies arising from this Stipulation, Agreements and Order.

Dated: October 8, 2009  
Buffalo, New York

/s/ Angela Z. Miller

Angela Z. Miller

PHILLIPS LYTTLE LLP  
3400 HSBC Center  
Buffalo, NY 14203  
Telephone: (716) 847-8400  
Facsimile: (726) 852-6100

Attorneys for New York Institute of Finance

Dated: October 9, 2009  
New York, New York

/s/ Richard P. Krasnow

Richard P. Krasnow

Shai Y. Waisman

WEIL, GOTSHAL & MANGES LLP  
767 Fifth Avenue  
New York, New York 10153  
Telephone: (212) 310-8000  
Facsimile: (212) 310-8007

Attorneys for Debtors  
and Debtors in Possession

SO ORDERED

Dated: New York, New York  
October 16, 2009

s/ James M. Peck

Honorable James M. Peck  
United States Bankruptcy Judge